

November 22, 2006

ARGUS-CHAMPION

# County commissioners approve \$1 million credit line

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NEWPORT — The Sullivan County Commissioners voted to approve an additional \$1 million credit line for the county so they can continue to pay their bills through December.

"It doesn't mean we'll need it and it doesn't mean we'll use it," Sullivan County Treasurer Mark Pitkin said during the commissioner's meeting on Nov. 14.

Having the county borrow money to pay their bills is not an uncommon practice. Earlier this year, the county borrowed \$5 million to pay their bills and will use anticipated tax revenue to pay back the loan.

"We have \$800,000 in cash flow now of the original five million borrowed earlier in the year," Pitkin said.

The usual county payroll for one month is about \$350,000, but December sees an increase in the payroll of up to \$500,000 because of earned time buy-back by county employees.

"The only other options are to bond the money, shut down services or budget for 18 months," Pitkin said. "It's just a timing issue."

County taxes paid by the towns in Sullivan County is due on Dec. 17. Pitkin said that most towns wait until the last minute to send in their portion of the taxes.

Sunapee Selectboard member William Roach said from the audience that Sunapee was considering not sending in their portion of county taxes and instead putting the tax money in an escrow account.

"We haven't voted on it yet," Roach said during a telephone interview last Friday. "There's no question it will be discussed at length."

Roach said the reason Sunapee may withhold payment is because they have asked the county to substantiate their authority to bill them. Roach said he has not had a satisfactory answer as of yet.

"We would like to know where our money is going," Roach said.

Sullivan County Manager Ed Gil de Rubio said that, by statute, the county would charge Sunapee 10 percent interest on any county taxes not paid by the Dec. 17 deadline.

"If the selectboard wants to pay the interest, it's their prerogative," Gil de Rubio said. "If they're dumb enough to do it, we're smart enough to take it."

According to Gil de Rubio, Sunapee's portion of the \$9.3 million in county taxes collected in December is \$2.2 million. If the county is forced to borrow money to cover a non-payment from Sunapee, they would pay only six percent interest on the borrowed money while Sunapee would be charged 10 percent.